RAJYA SABHA

Wednesday, the 13th March, 2002/22 Phalguna, 1923 (Saka)

The House met at eleven of the clock,
MR. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

Hydro-power potential in North Eastern States

*141. MISS MABEL REBELLO: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that North Eastern States have large hydro-electric power potential;

(b) if so, the details thereof;

(c) whether it is also a fact that out of this potential only one per cent thereof has been developed to generate power; and

(d) whether Government have any immediate plan to exploit the total hydro-electric power potential of the North Eastern States and make these States not only self-sufficient but also a source of revenue for these States?

THE MINISTER OF POWER (SHRI SURESH PRABHU): (a) to (d) A Statement is laid on the Table of the House.

Statement

(a) to (d) On the direction of the Ministry of Power, the Central Electricity Authority (CEA) has recently completed a Ranking Study of 399 schemes covering all the river basins in the country. The Brahmaputra and other river basins in the North East account for 145 schemes which have been ranked in three categories in terms of their attractiveness. Out of these, 41 schemes with an assessed potential of 5718 MW have been ranked in the first category and 86 schemes having an assessed potential of 41,203 MW in the second category. This study would enable the potential developers to undertake detailed survey and investigation and execution of the viable schemes

in a phased manner. CEA is holding State-wise discussions with the States to draw up an action plan for development of the identified hydro power projects.

Government of India is according high priority for development of hydro-electric projects in the country especially in the North-Eastern Region. The hydro-electric potential of the North-Eastern States has been assessed at 58,971 MW which accounts for 38% of the country's total assessed potential. 927 MW of this potential has been developed so far. North-Eastern Electric Power Corporation (NEEPCO) has recently commissioned Doyang Hydro-electric Project (75 MW) in Nagaland and 2 units (270 MW) of the Ranganadi Hydro-electric Project of 405 MW (3×135 MW) in Arunachal Pradesh. Central Power Sector Undertakings have initiated action on a number of new hydro-electric projects in the North East and Sikkim. National Hydro-electric Power Corporation (NHPC) is executing Teesta Hydro-electric Project Stage-V (510 MW) in Sikkim and carrying out pre-construction activities in Subansiri Lower (2000 MW) in Arunachal Pradesh. NEEPCO is presently executing Turial Hydro-electric Project (60 MW) in Mizoram and Kopili (25 MW) Hydro-electric Project in Assam. They have also commenced pre-construction activities on Kameng Hydro-electric Project (600 MW) in Arunachal Pradesh.

The harnessing of hydro-electric potential in the North-Eastern Region will not only help the States in the region in meeting their requirement of power but will also enable sale of surplus power outside the region.

MISS MABEL REBELLO: Mr. Chairman Sir, it has been stated in the reply that the hydro-electric potential of the North-Eastern States has been assessed at 58,971 MW which accounts for 38% of the country's total assessed potential. Out of this, hydro-electric potential of only 927 MW has been developed so far. It means that hardly 1.5% of the total potential has been developed so far. Sir, the development of North Eastern States is required to be accelerated for strategic reasons. Besides, the problems of poverty, unemployment among the youths, etc. need to be properly addressed. Only then, would be able to curb the militancy there. My question to the hon. Minister is: why is the hydro-electric potential of North-Eastern

States not being exploited fully? If it is exploited fully, it would not only help in solving the problems of militancy, unemployment, area development, prevailing in the North-Eastern States, but would also help in generating revenue for those States. It would also help in solving the problem of power shortage in some other States of India like Assam, Bihar, West Bengal, and even of Bangladesh. I would like to know from the hon. Minister as to why he is not doing that. What are the constraints?

SHRI SURESH PRABHU: Mr. Chairman, Sir, I must thank the hon. Member for putting a very important question. In fact, it is a fact that there is a huge hydro potential which is lying untapped in the North-Eastern Region of the country, and only less than 2% of the total potential has so far been exploited. Therefore, it engaged our attention, and, in fact, I directed the Central Electricity Authority to conduct ranking studies of 399 projects countrywide to ascertain as to how these projects could be implemented. An expert group was constituted to conduct these ranking studies. We consulted several stakeholders and organisations that would be interested in these projects. I am very happy to announce that the Central Electricity Authority completed this task in a record time. Now, we have got the ranking studies of 399 projects on all the six river basins in the country including Brahmaputra—a huge hydro-electric potential lies in that basin of the North-Eastern Region. And, now, we have also started holding extensive consultations with all the States. In fact, I personally visited all the North-Eastern States between 1st and 4th of this month, and held extensive consultations with the Chief Ministers of the North-Eastern States, and whenever it was not possible, with the Governor. We are at a very advanced stage of exploiting this potential fully. As regards the other constraints which the hon. Member has mentioned, it is absolutely correct that there is not much demand for power in that region. Therefore, most of the power that will be generated, will have to be exported outside that region. Therefore, transmission network to evacuate the surplus power will have to be put in place.

MISS MABEL REBELLO: But when would that be done?

MR. CHAIRMAN: Let him complete.

SHRI SURESH PRABHU: Simultaneously, we are in the process

of creating the evacuation network, and that plan is also underway. The hon. Member, as also the House, must be aware that there is a real technical problem, because there is a chicken-neck area through which you have to evacuate all the power, and not only just the powerlines, but also other networks like telecom network, etc. The other networks have to be passed only through that chicken-neck area. But, despite that, we are making all possible efforts, and I am very happy to say that, for the first time, we have got a very exhaustive, extensive and a very comprehensive plan to deal with the problem of development of power in the North-Eastern region as well as to evacuate it from there and sell it all over the country.

MISS MABEL REBELLO: Sir, my second supplementary is this. The Minister has said that the 399 projects that have been earmarked, will be completed. But I would like to put a very specific question to the hon. Minister. What is the number of power projects that are likely to be executed in the Tenth Five Year Plan in the North-Eastern States? Will the North-Eastern States be surplus with the execution of these power projects? If that is so, what will the Government do? How will it evacuate the power? Do you have any mechanism in place to evacuate this power, and will this power generation eliminate the unemployment problem in the North-Eastern States? Sir, the unemployment problem is the main reason for militancy in the North-Eastern States? Can you give me some specific time-limit? Can you tell me what are the projects that the Government is going to complete in the Tenth Five Year Plan, and how these can be linked to development, particularly, in eliminating the unemployment problem? How many jobs will you create? ....*(Interruptions)*... From where will you generate resources to execute these projects?

SHRI SURESH PRABHU: Sir, first of all, I would like to say that it is absolutely a fact that we have not been able to develop substantial projects in the North-Eastern region, because there is some insurgency problem. But, again, the root cause of the insurgency problem is also the lack of socio-economic development of the region. Sir, one problem leads to another problem. Therefore, the Government has taken a conscious decision of fully exploiting the potential in that region, which will also create...*(Interruptions)*...

MISS MABEL REBELLO: But when? I want to know what is the exact time-frame within which the Government will exploit this potential.

MR. CHAIRMAN: That is all right.

SHRI SURESH PRABHU: Sir, now we are in the process of fully developing it, which will create great employment opportunities in the project itself as well as several opportunities downstream, in the tertiary sectors like transportation and others, will be created. We are really in the process of doing that. Sir, for the Tenth Plan, we are in the process of developing several projects. In Assam, we are developing three; in Meghalaya, we are in the processing of adding three; in Mizoram, we are developing two; in Sikkim, we are thinking of developing one; in Tripura, we are developing one; and, in the Tenth Plan itself, there is a possibility of adding one in Assam, with the help of the private sector. The NEEPCO has already undertaken some of these projects. The NHPC is also developing a project called 'Teesta-V' in Sikkim. Hopefully, all these projects should be completed in the Tenth Plan. At the same time, we are also in the process of identifying new opportunities so that all the entire potential could be fully exploited. I have already answered the other question, we have already got a plan to evacuate the extra power that would be generated in that region, and which is not consumed in that region, to the rest of the country, and, if possible, also to other countries. Sir, we have also adopted a new strategy. While I was visiting the North-Eastern region at the beginning of this month, I had directed the NEEPCO to look for other opportunities. For example, while we develop these major projects of 500 MW, 1000 MW and more, it is also necessary to develop mini-hydro and microhydro projects. For that, we are trying to find out, in respect of each of the State, what is the mini-hydro potential. We are in the process of discussing all these projects with all the States. We will be holding a meeting. I will also personally go there again in the month of April. We will have a meeting of all the Chief Ministers to find out as to whether we can exploit the potential for the mini-hydro projects within the region itself. And, that particular project will also be linked to the village electrification programme, because, in the North-Eastern region, there are some villages which are yet to be

electrified. So, maybe, rather than transmitting power from a far away region, these mini-hydro projects can be linked to a nearby village which has to be electrified. So, as a part of that package, we are also looking for an opportunity as to whether we can also allow the local community to take over the distribution of power so that the distribution losses which are creating a major problem for the country can be eliminated by involving the local community itself. So, this is the overall, comprehensive approach that we are adopting for power development in the North-Eastern region.

श्री नरेन्द्र मोहन : सभापति महोदय, मंत्री जी ने जो उत्तर दिया है वह बहुत विस्तार से दिया है लेकिन मेरा प्रश्न तो बहुत छोटा सा है। उत्तर-पूर्वी राज्यों में जल विद्युत क्षमता लगभग 59,000 मैगावाट आंकी गई है जिसमें से मात्र 927 मैगावाट क्षमता का विकास हो पाया है। इस तरह देश में विद्युत की भारी कमी है। अगर हम इसकी आधी क्षमता का भी विकास कर लें तो हमारी समस्याओं का निदान हो सकता है।

सभापति महोदय, जब मैं उत्तर-पूर्व के राज्यों में गया तो मैंने यह पाया कि वहां सबसे बड़ी समस्या इंसरजेंसी की है। उसकी वजह से योजनाएं समय पर पूरी नहीं हो पा रही हैं और नयी योजनाओं को लाने में सरकार के सामने बाधाएं आ रही हैं। मैं यह जानना चाहता हूं कि वास्तविकता क्या है, ऐसी कितनी योजनाएं हैं जो इस इंसरजेंसी के कारण समय पर पूरी नहीं हो पा रही हैं और किन योजनाओं में बाधाएं आ रही हैं? मंत्री जी कृपा करके यह भी बताएं कि उत्तर-पूर्वी राज्यों में जो भी हमारी क्षमता है, क्या उसकी आधी क्षमता का भी उपयोग हम अगले 10-15 वर्षों में कर सकेंगे?

श्री सुरेश प्रभु: सभापति महोदय, हमारी यह कोशिश रहेगी कि पूरा का पूरा जो पोटेंशियल है, उसको एक्सप्लॉयेट किया जाए। जैसा मैंने कहा कि वहां लोकल डिमांड कम होने की वजह से हम उसको पूरा एक्सप्लॉयेट नहीं कर पा रहे हैं और यह भी सही है कि वहां की कई परियोजनाओं के पूरा न होने में वहां का आतंकवाद जिम्मेदार है जिसके कारण वे परियोजनाएं पूरी नहीं हो पा रही हैं। हमारे सामने यहां गृह मंत्री जी बैठे हैं, गवर्नमेंट ऑफ इंडिया की तरफ से हम पूरी कोशिश कर रहे हैं कि वहां लॉ ऐंड ऑर्डर की सिचुऐशन इंप्रूव हो और लॉ ऐंड ऑर्डर सिचुऐशन को इंप्रूव करने के लिए सोशियो-इकनॉमिक डेवलपमेंट करना जरूरी है क्योंकि बिना सोशियो-इकनॉमिक डेवलपमेंट के लॉ ऐंड ऑर्डर की स्थिति सुधर नहीं सकती है। इसलिए मैं मानता हूं कि इन परियोजनाओं को पूरा करने के लिए लांग-टर्म मेज़र के रूप में आतंकवाद को खत्म करना ही एकमात्र रास्ता है।

श्री नरेन्द्र मोहन: सभापति महोदय, मेरे सवाल का जवाब नहीं आया है। मैंने यह पूछा

था कि ऐसी कौन-कौन सी योजनाएं हैं जो इस आतंकवाद के कारण अधूरी पड़ी हैं-या समय पर पूरी नहीं हो पा रही हैं।

श्री सुरेश प्रभुः सभापति महोदय, जो भी परियोजनाएं वहां पर चल रही हैं, उनको पूरा करने के लिए समय-समय पर हमारे सामने जो भी संकट आएंगे, उन्हें दूर करके हम इन योजनाओं को पूरा करने की कोशिश करेंगे।

SHRI S.B. CHAVAN: Mr. Chairman, Sir, the question which the hon. Member has put is a very important one. I would like to know from the hon. Minister what is the total potential which is now available in the North-Eastern States. One of the reasons why the militancy has spread all over the North-East is the lack of socio-economic development of that area. A number of schemes have been mentioned here, but there is hardly anything concrete in them. Of course, all kinds of schemes are there, but, I don't think, the North-Eastern States will be able to raise the resources. Electricity is the important infrastructure which can provide a tremendous volume of employment. That can attract not only the National Hydro-Electric Power Corporation but the World Bank also. Why shouldn't the World Bank assist such a scheme which can, in fact, utilise the huge hydro-electric potential for development, not only in the North East but all over the country also? It is not a new source of income alone. Automatically, you get water also. The only point to which the World Bank can possibly object, is the rehabilitation part. So far as rehabilitation is concerned, at least, I have no doubt in my mind that you have to satisfy the people who are going to be the sufferers due to the submergence of their cultivable land. You should have some kind of legislation at the Centre. You request the State Governments also to adopt the same so that the question of rehabilitation does not come in the way. The real relief has to be provided to all those re-settlers. If it is attempted in a big way, I am sure, the World Bank will also come forward to assist. At the international level, there are various other financial agencies which can also be attracted for exploitation of such a huge amount of hydro-electric potential which is now available in the North-Eastern States.

SHRI SURESH PRABHU: Sir, the hon. Member is absolutely right in saying that we have to find various ways of raising resources for the development of the hydro potential. The Central Electricity

Regulatory Commission has recently passed an order levying additional surcharge on each unit of power that is generated in a Region and that money can be used as seed capital for the development of new projects in that Region. We are also talking to some multilateral agencies for raising resources. There are certain domestic financial institutions which have also offered financial assistance to promote these projects. For example, the LIC has decided to finance some of these activities because they have realised that there is huge potential. We are also trying to develop a new financial instrument. We are in a very advanced stage of discussing it with the ICICI as to how a new financial instrument can be launched so that the entire cost of hydro development project is not front-loaded but back-loaded so that the initial cost of tariff is not very high and it can be a levalised tariff. We are looking at all these issues. So far as R&R issues are concerned, we are conscious of the fact each of these projects which are undertaken should result in least displacement of people. Therefore, the primary objective of the ranking study which was carried out for the first time was to find out which is the least damaging project that can be undertaken as far as R&R issues are concerned. However, the hon. Member's suggestion for having a comprehensive legislation on this subject in which the States are also taken on board is worth considering. We will examine this issue.

DR. RAJA RAMANNA: What has happened to our programme of a National Grid? I have put this question not because it is connected with the North-Eastern States, I have put this question because projects are started at various places in the hope that continuous power would be available from one Grid or the other. But as it happens, these Grids are not connected to one another. Sometimes, all the three Grids go out of order as a result of which power is produced in a most expensive way by the in-house power system and battery system. Actually, this idea of a National Grid is an old one. Does the Government propose to carry on with the plan? Has any study been undertaken? What is the present situation?

SHRI SURESH PRABHU: Sir, the Government has prepared a very comprehensive plan for the National Grid. A Cabinet note is being prepared. Already, consultations are on with all concerned. For

the first time, we have prepared a comprehensive plan. It might involve an outlay of Rs. 50,000 crores. It is under various stages of implementation. Sir, a comprehensive plan for a National Grid will go to the Cabinet very soon.

SHRI C. RAMACHANDRAIAH: Sir, the hon. Minister has admitted that not only insurgency but constraint of funds also is one of the reasons for not exploring the potential. I would like to make a suggestion in this regard. The NHPC has got technical expertise. It has got the distinction of executing projects without cost overrun also. The NTPC is a very cash rich company with very good resources and credibility. If such is the case, why can't the NTPC enter into an understanding or a joint venture with the NHPC so that the technical capability of the NHPC is utilised in executing the projects. It can be financed by the NTPC. Sir, this is part (a) of my supplementary. Secondly, when the NHPC commands such a good respect among very big companies so far as expertise is concerned, why is the consultancy service being given to foreign companies? I came to know that a French company—of course, it is a good company—has been given this consultancy service. Why should we engage the services of foreign companies at such an exorbitant fees when such expertise with available in our public sector undertakings?

SHRI SURESH PRABHU: Sir, the NTPC is already undertaking a project in Himachal Pradesh for the development of hydro potential. It is the first hydro project that the NTPC has decided to undertake. It is not correct to say that the NTPC is a cash rich company. In fact, the NTPC has a severe cash flow problem because the State Electricity Boards are not paying the dues. As a result of that, we had to appoint the Montek Singh Ahluwalia Committee to find out how a one-time settlement of all the dues can take place. In fact, all the State Electricity Boards collectively owe more than Rs. 41,000 crores to the public sector underakings. It is a massive amount which we have to receive from the State Electricity Boards whose net worth has dipped to minus 40 per cent, over a period of time.

SHRI C. RAMACHANDRAIAH: When a supplementary was put earlier in this House, when there was a proposal to take over

the equity of NHPC by NTPC, the Minister replied, "The NTPC is a very sound company and that is why they are planning to acquire the equity of NHPC." Now, his reply is different.

SHRI SURESH PRABHU: I am giving you the factual position as of today. That is why we appointed the Montek Singh Ahluwalia Committee to recover the dues. There are several States which are unwilling to service their past obligations because they don't have cashflow with them. Also, many of the States also have got ways and means problems. They cannot support the State Electricity Boards; it is the factual position. At the same time, wherever feasible, we will also ask all the organisations to look at the domestic competence available within the country and to exploit it to the fullest extent possible.

श्री अनन्तराय देवशंकर दवे : सभापति महोदय, सन् 2000 में कुछ एजेंडा बनाकर माननीय प्रधानमंत्री जी ने नार्थ-ईस्ट स्टेट्स के लिए एक कांफ्रेंस की थी जिसमें बिजली का भी मामला था। तो मैं माननीय मंत्री जी से यह जानना चाहूंगा कि उस कांफ्रेंस में क्या तय हुआ वह बताने की कृपा करें।

SHRI SURESH PRABHU : Sir, in fact, the hon. Prime Minister has always been taking keen interest in the development of the North Eastern region and to bring about overall development, socio-economic development, of the region. And, as a part of that programme, the Prime Minister has also got a programme to develop the hydro potential in that region as well as other power projects to be expanded in that region. Among the projects that were discussed for implementation was the Loktak Downstream Hydroelectric Project in Manipur, in regard to which I also went there, and, I met the hon. Governor. We are trying to find out how security can be provided to this project so that this project can be undertaken. It was decided to undertake the Teesta hydroelectric project...

श्री अनन्तराय देवशंकर दवे : नार्थ-ईस्ट के गवर्नर्स और चीफ मिनिस्टर की कांफ्रेंस हुई थी जिसमें बिजली का भी मामला था। तो इस कांफ्रेंस में क्या तय हुआ और आज तक उसमें क्या प्रगति हुई?

SHRI SURESH PRABHU: That is what I am saying, that these projects are under implementation. The third is the Subansiri Lower Side Project in Arunachal Pradesh. It is to be undertaken at an

estimated cost of Rs.7,468.90 crores. The work has already started. An estimate has been prepared and the Central Electricity Authority is examining it. And, the Ministry of Environment and Forests has been looking at various issues since the last one-and-a-half years. Electrification of 500 villages was another promise that the Prime Minister made. We are trying to implement it, with the participation of the State Governments because it is the primary job of the State Governments, to undertake rural electrification. Sub-transmission and distribution schemes in that region were to be undertaken. In fact, we are also looking at utilising this network in Arunachal Pradesh.

VEN'BLE DHAMMAVIRIYO: I want to inform the hon. Minister, through you, Sir, that insurgency is not prevalent in all the North-Eastern States. I would like to mention here that in the last week of November, the Standing Committee of Energy visited Sikkim, and we visited two hydroelectric projects; one is the Ranjeet hydroelectric project which has been commissioned earlier than the tenure period, and the other is Teesta. And, all the hon. Members of the Committee visited Gangtok and, in the dinner meeting with the Chief Minister, we raised the question about the unemployment problem in Sikkim. Till now, not a single local youth has been employed in the project undertaken by the NHPC at Sikkim. The hon. Members of Parliament raised the question about the unemployment problem because that is the main problem in the North-East, they did not give any employment to the locals. The Chairman of the NHPC was totally unaware of the whole thing. The Chief Minister met the Hon'ble Prime Minister; he also met the hon. Union Minister and requested him to accommodate atleast Class III and IV employees belonging to Sikkim so that he can control the youth of Sikkim. So, I would like to know from the hon. Minister as to what steps have been taken to give employment to the local people in such schemes so that this environment of peace and harmony can be maintained in the peaceful area of Gangtok. This is my earnest request to the hon. Minister.

SHRI SURESH PRABHU: We will, definitely, make sure that the employment opportunities which have been created as a result

of undertaking projects of this magnitude are offered to the local youth.

VEN'BLE DHAMMAVIRIYO: But the attitude of the NHPC's Chairman is bad. That is why I am telling you this.

श्री एस० एस० अहलुवालिया : सभापति महोदय, मैं मंत्री महोदय से जानना चाहूंगा कि उत्तर-पूर्व क्षेत्र में पन-बिजली के पावर स्टेशन बनाने का एक आधार था क्योंकि पहाड़ी क्षेत्रों में पन-बिजली का उत्पादन अच्छी तरह से किया जा सकता है जबकि तराई क्षेत्रों में इसका उत्पादन करना थोड़ा-सा कठिन लगता है। शायद मंत्री महोदय को पता होगा कि जब पन-बिजली के उत्पादन के लिए ये सारी चीज़ एनाउंस की गईं तो बड़े-बड़े औद्योगिक घरानों ने 100 परसेंट डेप्रिसिएशन के बेनिफिट के लिए इन उद्योगों को लगाया और बैंकों ने भी उसमें मदद की क्योंकि वह डेप्रिसिएशन बैंकों को भी मिलता था। पर पिछले दिनों बैंकों की किसी अधिसूचना के अनुसार वह डेप्रिसिएशन अब फाइनेंसिंग कंपनियों को उपलब्ध नहीं होगा। जब ये औद्योगिक घराने बंद हो जाएंगे तथा छोटे व मझौले औद्योगिक क्षेत्र के लोग और बेरोज़गार जब इनको लगाने की कोशिश करेंगे और बैंक से उनकी फाइनेंसिंग नहीं होगी तो ये पन-बिजली के उद्योग कैसे लग सकेंगे, उसके बारे आपने कोई विचार किया है क्या?

श्री सुरेश प्रभु : यह जो आप कह रहे हैं डेप्रिसिएशन के लिए, वह तो रिन्युएबल सोर्सेज ऑफ एनर्जी की जो मशीनें बनती हैं, उनके लिए दिया जाता है लेकिन डेप्रिसिएशन का रेट तय करना, यह फाइनेंस मिनिस्ट्री के नोटिफिकेशन से होता है। आपने, जो कठिनाई कुछ उद्योगों को हो रही है, उसके बारे में जानकारी दी है, मैं उसे वित्त मंत्री जी के पास ज़रूर पहुंचाऊंगा।

MR. CHAIRMAN: Question No. 142.

Introduction of TUFS in Assam

*142. SHRI INDRAMONI BORA: Will the Minister of TEXTILES be pleased to state:

(a) whether Technology Upgradation Fund Scheme (TUFS) has been introduced in Assam;

(b) if so, since when; and

(c) the number of beneficiaries of this Scheme in powerloom, jute and textile sectors separately?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA): (a) Yes, Sir.